

**GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS**

**PUBLIC SERVICES COMMISSION**

IN RE:

VIRGIN ISLANDS WATER AND POWER  
AUTHORITY'S LEVELIZED ENERGY  
ADJUSTMENT CLAUSE

PSC Docket No. 289

Order No. 17/2021

**ORDER**

**WHEREAS**, on June 3, 2020, in Order 42/2020, the Virgin Islands Public Services Commission (hereinafter "PSC" or "Commission") voted to set the Virgin Islands Water and Power Authority's (hereinafter "WAPA" or "Authority"), Levelized Energy Adjustment Clause (hereinafter "LEAC") rate for the electric system at 14.9417¢/kWh for the period of July 1, 2020, to December 30, 2020; and

**WHEREAS**, on October 8, 2020, the Authority filed its Petition (hereinafter "Petition") with the Commission for an Electric LEAC rate of \$0.1494¢/kWh for the period of January 1, 2021, to June 30, 2021, to be applied to bills rendered on or after January 1, 2020; and

**WHEREAS** the Authority requested that the approved LEAC rate of 14.9417¢/kWh for the period of July 1, 2020, to December 30, 2020, remain in place for the period of January 1, 2021, to June 30, 2021; and

**WHEREAS**, the Commission engaged its technical consultants, Georgetown Consulting Group, Inc. (hereinafter "GCG") to conduct a review and analysis of WAPA's Petition; and

**WHEREAS**, on November 3, 2020, GCG submitted a Report on the deferred fuel balance on the LEAC rate setting and on December 8, 2020, GCG submitted its Report and Recommendations to the Commission; and

**WHEREAS**, the Commission had insufficient members to obtain a quorum in December 2019 and for several months thereafter; and

**WHEREAS**, in December 2020 the Commissioners encouraged WAPA to continue with the LEAC rate that had been approved for June-December 2020; and

**WHEREAS**, on April 14, 2021, the Authority filed an updated Petition with the Commission for an Electric LEAC rate of \$0.17522¢/kWh for the period of July 1, 2021, to December 31, 2021, to be applied to bills rendered on or after July 1, 2021; and

**WHEREAS**, on June 15, 2021, GCG submitted their Report and Recommendations to the Commission; and

**WHEREAS**, on June 21, 2021, the Commission held a Regular Meeting (in part via video conferencing system) that was hosted at the Commission’s St. Thomas office located at No. 1003 Estate Ross Suite 4, Barbel Plaza; and

**WHEREAS**, the Commission witnessed testimony from its technical consultants and WAPA, along with their consultants; and

**WHEREAS**, upon review and deliberation, the Commission voted to ACCEPT GCG’s Report and Recommendations, set the current LEAC rate at 17.2125¢/kWh for the period of July 1, 2021, to December 31, 2021, and to adopt specific recommendations within that Report; and

**NOW THEREFORE**, the Commission ORDERS that:

1. The Electric LEAC rate be set at 17.2125¢/kWh for the period of July 1, 2021, to December 31, 2021, and to be applied to bills rendered after July 1, 2021.
2. For all LEAC filings beginning with the next filing on October 1, 2021, WAPA shall provide the Commission a detailed Energy Accounting Summary in accordance with the template contained in Table 7. This requirement shall be a component of the minimum filing requirements (MFR) for all future LEAC and base rate filings. For the purposes of determining retail sales the Commission fixes WAPA station service at 2.5% of gross generation for all power generating facilities. Further, the Energy Accounting summary shall:
  - a. Show kWh production from all PPA’s, excess net-metered customers, and WAPA’s streetlighting PV system. To the extent any of these facilities are unmetered WAPA shall provide estimates of kWh production including assumptions used.
  - b. Until data from WAPA’s AMI system is available this summary should show a value of NRE of 6.6%.
  - c. St. Croix station service values be evaluated further to determine why the “effective” rate appears unreasonably high.
  - d. Once data is available from the AMI system the NRE value should be reevaluated and changed to reflect actual delivery system performance.
3. WAPA shall provide the Commission a breakdown of these cost components of the pricing premium contained in the original and amended contract for LPG – the \$0.33 and \$0.38 per gallon element of cost. This breakdown of cost components shall include, but not limited to, expenses associated with: ocean tanker freight, cargo insurance, ocean loss, actual taxes paid, levies, and port charges assessed, local handling cost not included in the O&M charge and VITOL profit.

*So Ordered.*

For the Commission,



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David Hughes, Chair

**Date:** July 27, 2021